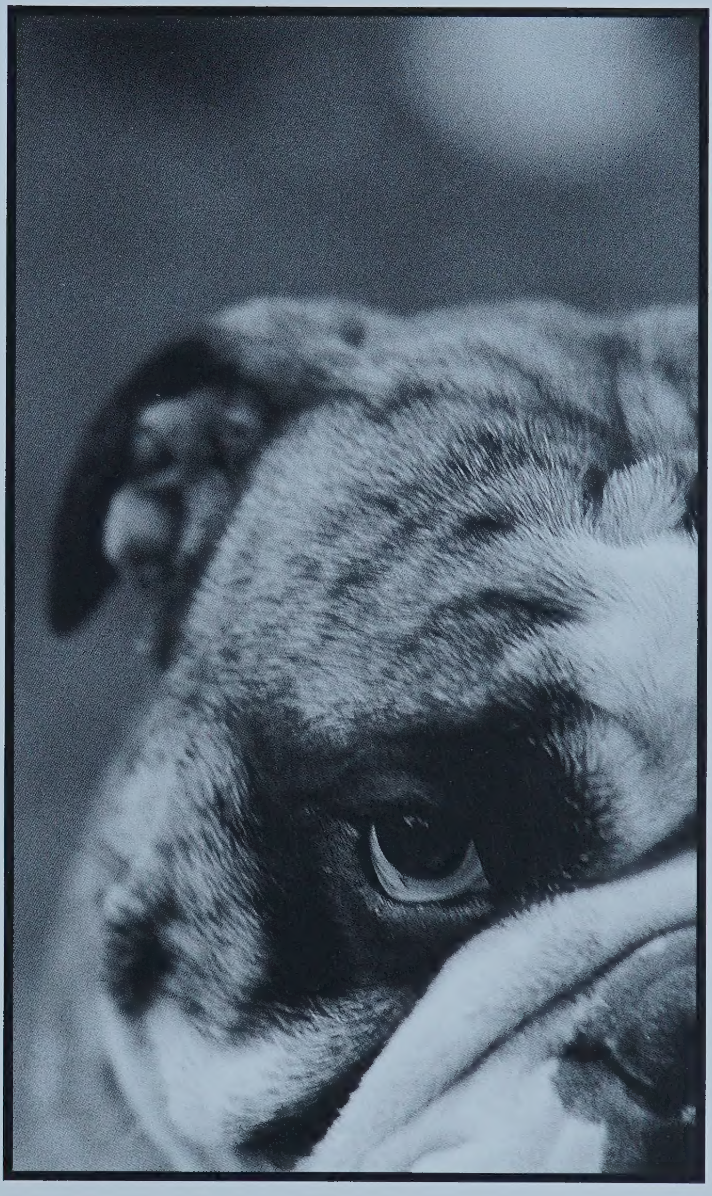
Bulldog energy inc.



BULLDOG *Energy Inc.*

2002 ANNUAL REPORT

Share Information

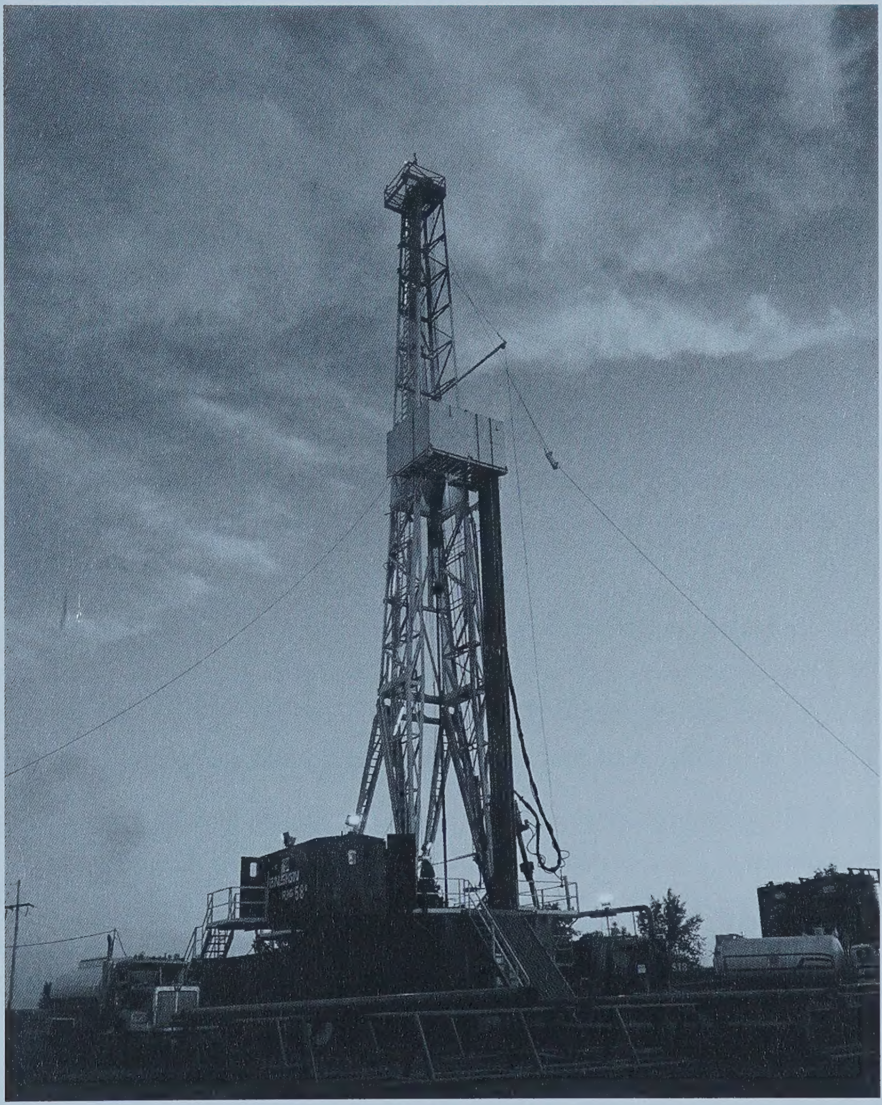
Bulldog's Class A and Class B common shares are listed for trading on the TSX Venture Exchange under the symbols **BDE.A** and **BDE.B**. As of March 31, 2003, Bulldog had 11,991,874 Class A common shares and 372,768 Class B common shares outstanding. Our market capitalization was $10.1 million.

Contents

Annual Meeting

Shareholders are cordially invited to attend the Company's Annual General Meeting which will be held at 3:00 PM on Thursday, May 29, 2002 in the Cardium Room of the Calgary Petroleum Club, 319 - 5th Avenue S.W., Calgary, Alberta. Shareholders are requested to complete and return the Proxy Form to CIBC Mellon Trust Company of Canada at their earliest convenience if unable to attend the meeting.

Bulldog Energy Inc. is an emerging oil and natural gas company which aggressively pursues a growth strategy through a balanced portfolio of strategic property and corporate acquisitions, exploration, exploitation, and development drilling in focused areas.



Our corporate objective is to provide shareholders with continued growth per share in cash flow, earnings, production, reserves and net asset value.

A YEAR OF ACCOMPLISHMENTS

From a starting point of zero production, Bulldog has emerged from our first year of operations with an excellent platform of production and opportunities to continue our plan of rapid growth. We established four major goals which we set out to achieve in 2002. We needed to build a base of reserves, production, and cash flow from which we could grow our company. We needed to establish this production base with a capital expenditure program which focused the majority of our spending on qualifying income tax expenditures to complete our commitment to our Initial Public Offering investors. We needed to strengthen our financial sources for debt and equity. Finally, we needed to establish an inventory of opportunities to fuel the growth of the company in 2003 and beyond. We believe that we successfully met our goals and would like to share our report card with you.

- We built production volumes such that the 2002 exit rate was 445 boe/day (6:1 conversion) and now is averaging 600 boe/day in April 2003. The break down of this current production average is 300 barrels/day of high quality oil (average 34 degrees API) and natural gas liquids, and 1,800 mcf/day of natural gas.
- Based upon an independent reserve evaluation prepared by Gilbert Laustsen Jung, Bulldog has assembled a reserve base of 1,221,000 barrels of oil equivalent (proven + 50% probable) as of January 1, 2003. We are confident that this has been further enhanced by our operations in the first quarter of 2003.
- To December 31, 2002, we drilled or re-entered 14 wells (5.6 net) resulting in 3 oil wells (1.0 net), 7 natural gas wells (2.6 net), and 4 dry holes (2.0 net). We achieved considerable success at Rosevear, Alberta and in Southeast Saskatchewan.
- We completed two strategic property acquisitions in the Rosevear liquids rich natural gas area to supplement our drilling farm-ins. These acquisitions provided Bulldog with development drilling and re-entry opportunities as well as production facilities and key pipelines. We have more than tripled the acquired production in this area through drilling, from 100 boe/day at the time of acquisition to 320 boe/day presently.
- We completed our first strategic corporate acquisition. Bulldog acquired Flatland Exploration Ltd., a private company, which represented a major expansion of Bulldog's high working interest core area in Southeast Saskatchewan. At the time of acquisition, Flatland had 220 bbls/day of light oil production, 19,000 net acres of undeveloped land, 33 square miles of 3-D seismic and 50 miles of 2-D seismic. In 2002, we drilled three new oil discoveries which we intend to develop in 2003. Two successful horizontal development wells have been drilled in the first quarter of 2003 which will be completed immediately after spring break-up.
- Our undeveloped land has increased to 21,000 net acres.
- On October 29, 2002 Bulldog raised $2,065,000 through a bought deal equity financing of 3,083,333 Class A common shares with Yorkton Securities Ltd. Bulldog has raised a total of $6.4 million through this public offering and our Initial Public Offering in December, 2001.
- We expanded an existing Flatland long-term credit facility to $2,500,000.

- Bulldog established bank credit facilities that now provide for a $3.5 million operating credit facility and an additional $3.0 million acquisition credit facility.
- We listed our Class A (BDE.A) and Class B (BDE.B) common shares on the TSX Venture Exchange in February 2002.
- We established independent Board of Director committees to consider audit, reserves and compensation issues.
- We added to our technical and financial capabilities with new employees and consultants.

An Excellent Opportunity Base

A technical review by management of all of the potential projects within Bulldog has given us a go forward opportunity list of more then 30 projects on lands we control. We intend to drill or re-enter 17 wells in 2003. The current planned program consists of two re-entries and two new development wells for liquids rich natural gas at Rosevear, and two re-entries, eight development wells and three exploration wells for light oil in Southeast Saskatchewan.

During the first quarter of 2003, we successfully drilled two horizontal development oil wells in Southeast Saskatchewan with large pay sections into two new pool discoveries. We are looking forward to the completion of these wells immediately after spring break-up. We tied in five natural gas wells in the Rosevear area during the first quarter of 2003.

Our target average daily production for 2003 based on our current program is 650 boe/day with a target exit rate of 900 boe/day.

Pursuing Rapid Growth

Our continuing strategy for growth at Bulldog is based on the following fundamentals:

- Employ a growth oriented team of skilled and experienced people.
- Focus on exploration/development and acquisitions complementary to our current operations
- Concentrate and expand activities within a few core areas.
- Maintain balance sheet strength with debt to running cash flow levels of not more than two times.
- Internally generate exploration and development prospects.
- Operate as many projects as possible.
- Maintain a 50/50 production split between natural gas and oil.
- Continue to increase exposure to larger interests and bigger projects as revenues grow.

We recognize that companies in the 1,000+ boe/day range benefit from economies of scale with lower overhead costs per unit of production, more significant cash flows, and greater liquidity together with a larger following in the equity markets. As a result, Bulldog is pursuing a strategic property and corporate acquisition strategy to supplement our current drilling program.

Supported By Strong Board Governance

To ensure that our operating and financial reporting functions and management compensation are properly reviewed and approved by independent members of the Board of Directors, Bulldog's directors have established a Reserve Committee, an Audit Committee, and a Compensation Committee. Each committee is comprised entirely of independent members of the Board of Directors. Both the Reserve and Audit Committees have direct channels of communication with the independent engineers and auditors to discuss the quality of the principles applied in our reporting standards.

Looking Ahead

Bulldog is emerging from a year of challenges which we successfully met. We remain committed to our business strategy, established 18 months ago by our management team, to create a profitable junior oil and gas company with sufficient production and cash flow to continue to grow the business year over year.

Bulldog is concentrating its activities in two primary core areas – Rosevear, Alberta and Southeast Saskatchewan. We are positioned to take advantage of the new opportunities identified within these areas as we continue to increase the inventory of exploration and development opportunities.

We are aggressively pursuing acquisitions which would have a significant impact on the size of our company.

Bulldog will fund exploration and development activities from cash flow and the use of equity. Acquisitions will be funded using our lines of credit supplemented by equity sources if required.

One of our goals in 2003 is to increase the awareness of Bulldog's story in the investment community. With a very active year planned in 2003, we are looking forward to introducing Bulldog to new investors.

We have our eyes firmly set on the future — and that future looks bright. We wish to thank our shareholders for their continued support, our Board of Directors for their guidance, and our staff for their dedication.

Ken McKay

Ken McKay, P. Geol.
President, Chief Executive Officer and Chairman of the Board

April 16, 2003

During Bulldog's first year of operations, we established two core producing areas in Western Canada. In the Rosevear area of West Central Alberta and in Southeast Saskatchewan, we have assembled in excess of 30 opportunities on lands we control. These projects include wellbore re-entries, new zone completions, development and exploration drilling, and facility enhancements.

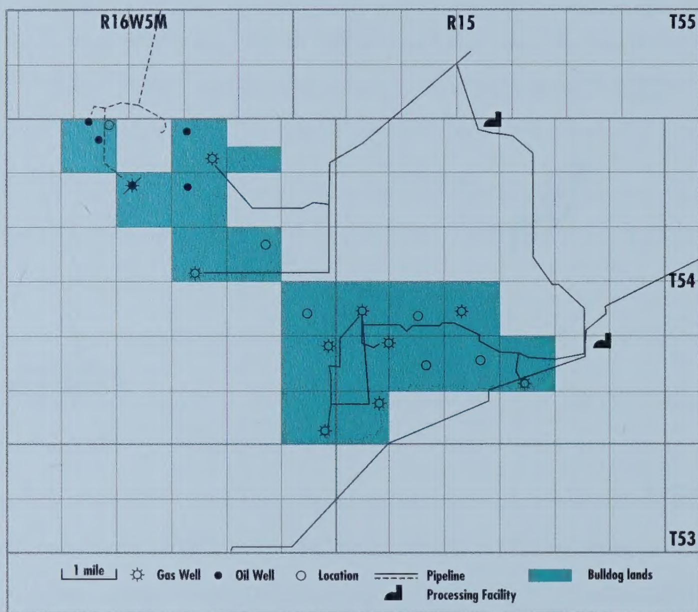
Rosevear Area, Alberta

The Rosevear area is located approximately 180 km (110 miles) west of Edmonton near the town of Edson, Alberta. Rosevear is a geologically attractive area in the Western Canada Sedimentary Basin. This area offers multi-zone liquids rich sweet natural gas potential from reservoirs occurring at depths ranging from 1,000 to 2,400 meters. Successful wells have initial production rates of 800 to 1,800 mcf/day with 20 bbls per mmcf of natural gas liquids. Well reserves are typically 800 mmcf to 2,000 mmcf per well. Drilling in the 1960's and 1970's focused on deeper horizons in the Mississippian and Devonian formations. This established an area serviced by a network of transportation and facilities infrastructure. Recent activity has concentrated on moderate depth reservoirs in the Lower Cretaceous (Viking, Bluesky, Gething) and the Jurassic (Rock Creek). Existing infrastructure with spare capacity located in close proximity enables new production of natural gas and light oil (30°+) to be brought on stream quickly.

Bulldog entered this area in late 2001 through farm-in agreements. Initial drilling success in the area encouraged us to make two strategic acquisitions and additional farm-ins. The acquisitions provided Bulldog with development drilling and re-entry opportunities as well as facilities and key pipelines. Bulldog drilled and re-entered 7 (2.5 net) wells in the Rosevear area during the year. This drilling activity resulted in 7 (2.5 net) gas wells. In 12 months, we have more than tripled our natural gas and liquids production in this area as a result of this drilling, from 100 boe/day at the time of acquisition to 320 boe/day presently. This area accounted for 65% of Bulldog's total production volumes in 2002.

Bulldog holds varying working interests in a total of 11,520 gross acres (3,626 net acres) of contiguous land with an additional 2,560 acres under option in the Rosevear area. A total of 760,749 boe of proven and probable reserves - 73% of which were in the proven category - were added in 2002 representing 49% of reserves at year end 2002. The finding cost for these proven and probable reserve additions was $4.70/boe.

Bulldog's 2002 exit production volumes in this area were 648 mcf/day of natural gas and 27 bbls/day of oil and natural gas liquids. A five gas well tie in program in the first quarter of 2003 has increased average natural gas production volumes to 1,800 mcf/day as of April, 2003. An active natural gas drilling program is being planned in 2003 consisting of 2 or more development wells and 2 wellbore re-entries.



Southeast Saskatchewan

Bulldog's purchase of Flatland Exploration Ltd. represented a major expansion of our high working interest core area in Southeast Saskatchewan. This acquisition provided Bulldog with numerous drilling opportunities, both exploratory and development. At the time of acquisition, Flatland had 220 bbls/day of light oil production, 19,000 net acres of undeveloped land, 33 square miles of 3-D seismic and 50 miles of 2-D seismic. This focused land position is highly prospective for sweet, light oil (34 degree API) in Mississippian age carbonate reservoirs at depths ranging from 1,100 to 1,500 meters. We are focusing our development and exploration efforts on specific cycles within the Frobisher Beds section, which can have initial production rates per well of over 150 bbls/day and recoverable reserves of 150,000 bbls per well. We have 3-D seismic coverage over the majority of our lands.

Bulldog holds varying working interests in a total of 28,463 gross acres (20,720 net acres) of land in Southeast Saskatchewan. This area accounted for 35% of production volumes in 2002 and 51% of proven and probable reserves at year end 2002.

Bulldog drilled and re-entered 5 (2 net) wells in Saskatchewan during the year, all of which were operated. This drilling activity resulted in 3 (1 net) oil wells. A total of 790,264 boe of proven and probable reserves were added, 55% of which were in the proven category. The finding cost for these proven and probable reserve additions was $7.21/boe. These finding costs reflect the acquisition of Flatland Exploration in October, 2002. Bulldog's 2002 exit production rate in this area was 310 bbls/day of oil.

Bulldog discovered three new oil pools in 2002 which we intend to develop in 2003. In the first quarter of 2003, we successfully drilled two horizontal development wells into two separate pools. These wells will be completed immediately after spring breakup. We are planning a program of three high volume lifts, two re-entries, eight development wells and three exploration wells for Southeast Saskatchewan in 2003 on lands that we currently control. Our working interest on these projects will range from 25% to 70% in the Griffin, Wordsworth, Morrisview, Carlyle and Manor North areas.

Undeveloped Land

Acres (December 31, 2002)	Undeveloped Gross	Undeveloped Net	Developed Gross	Developed Net	Total Gross	Total Net
Rosevear, Alberta	5,600	1,630	5,920	1,996	11,520	3,626
Sarcee, Alberta	5,775	1,443	320	160	6,095	1,603
	11,375	3,073	6,240	2,156	17,615	5,229
Southeast Saskatchewan	24,899	18,336	3,564	2,384	28,463	20,720
Total	36,274	21,409	9,804	4,540	46,078	25,949

(1) *Gross acres are the total number of acres in which Bulldog has an interest.*
(2) *Net acres reflect Bulldog's working interest in the gross acres.*

Drilling Activity

Wells (Year ended December 31, 2002)	Gross	Net
Natural gas	4.0	1.1
Oil	3.0	1.0
New zone natural gas completions	3.0	1.5
Abandoned	4.0	2.0
Total	14.0	5.6
Success Rate		71%
Average working interest %		40%

Petroleum and Natural Gas Reserves

In their report dated February 26, 2003 Gilbert Lausten Jung Associated Ltd. ("GLJ") evaluated Bulldog's petroleum and natural gas reserves as at January 1, 2003. The following table summarizes the volumes and present value of Bulldog's reserves:

	Natural Gas Gross (mmcf)	Natural Gas Net (mmcf)	Oil and NGL's Gross (mbbls)	Oil and NGL's Net (mbbls)	Present Value of Cash Flow ($000's) Before Tax Discounted at 0%	10%	15%
Proven Producing	681	488	439	350	7,167	5,360	4,814
Proven Non-producing	1,853	1,393	78	55	6,166	4,304	3,762
Total Proven	2,534	1,881	517	405	13,333	9,664	8,576
Probable	1,028	788	392	332	6,862	3,522	2,702
Total Proven & Probable	3,562	2,669	909	737	20,195	13,186	11,278
Total Proven & 50% Probable	3,048	2,275	713	571	16,764	11,425	9,927

(1) *Gross reserves are the total remaining recoverable reserves owned by Bulldog before deduction of royalties. Net reserves are defined as those accruing to Bulldog after deduction of royalties.*
(2) *The price forecast used in determining the value of cash flow is based on the January 1, 2003 GLJ price forecast.*
(3) *A number of proven non-producing reserves were brought on production during the first quarter of 2003 resulting in our proven producing gas reserves increasing form 681 mmcf to 1,970 mmcf, and our proven producing oil/NGL's increasing from 439 mbbls to 474 mbbls.*

Performance Measures

2002 Net Capital Expenditures

Corporate acquisitions	$ 6,557,061
Drilling and completions	3,618,465
Property acquisitions	1,871,384
Geological and geophysical	548,353
Well equipment and facilities	499,973
Office furniture and equipment	58,090
Total	$ 13,153,326

2002 Reserves Additions (boe)

Proven	972,112
Proven plus 50% probable	1,245,562
Proven and probable	1,519,012

Finding costs, excluding seismic and undeveloped land

	Corporate	[illegible]	Saskatchewan
Proven	$ 11.34	$ 6.43	$ 13.06
Proven and 50% probable	$ 8.85	$ 5.43	$ 9.29
Proven and probable	$ 7.26	$ 4.70	$ 7.21

***2002 4th Quarter Reserve recycle ratio** (corporate cash flow netback/finding costs)*

Proven	1.4 : 1
Proven plus 50% probable	1.8 : 1
Proven plus probable	2.2 : 1

***Reserve life index in years** (reserves/exit production annualized)*

Proven	5.8
Proven plus 50% probable	7.5
Proven plus probable	9.2

Bulldog has achieved early success in building reserve and production volumes. Management has embarked upon an active capital expenditure program to capture the values inherent in Bulldog's consolidated asset base.

We have an inventory of exploration and development drilling, re-entry and tie-in projects which we will continue to expand. This program is expected to have a very substantial positive impact on future results commencing in 2003.

Results of Operations

During 2002 Bulldog was focused on its capital expenditure program to build an asset base to provide future production volumes and cash flow. The year marked the initial period of revenue and expense generation and reflected Bulldog's infancy as cash flow was positive but earnings were not. The following table summarizes the statement of income and expresses the results in terms of barrels of oil equivalent (boe) production using a 6:1 conversion factor for natural gas volumes. Following the table, we present comments on each line item.

	Annual	$/boe
Revenues	$ 1,920,989	$ 32.28
Royalties	(491,133)	(8.25)
Production expenses	(482,121)	(8.10)
Operating income	947,735	15.93
General and administrative expenses	(361,840)	(6.08)
Interest expense	(89,829)	(1.51)
Funds flow from operations	496,066	8.34
Depletion and depreciation	(2,612,039)	(43.89)
Future income tax reduction	872,054	14.65
Net loss	$ (1,243,919)	$ (20.90)

In 2002, Bulldog's revenues reflected production volumes rising through the year which benefited from relatively high oil and natural gas prices, particularly during the fourth quarter. We produced 29,215 barrels of oil and liquids and 181,789 thousand cubic feet (mcf) of natural gas for a total of 59,513 barrels of oil equivalent; 49% of this volume was produced in the fourth quarter. Our Saskatchewan operations accounted for 42% of the year's total revenues. Our average price realizations were $38.86 per barrel of oil, $4.44 per mcf, and $32.85 per barrel of liquids all of which were in the higher range of prices prevailing in recent years. Bulldog did not hedge any of its 2002 production.

Royalties averaged 26% of revenues split 59/41 between Crown and freehold burdens. The relatively high proportion of freehold royalties is attributable to the large proportion of revenues sourced from freehold properties in Saskatchewan. The Alberta Crown's share was $245,000 which provided an ARTC rebate of $61,378.

Our production expenses, which have a large component of fixed costs, averaged $5.56 per boe in Alberta and $12.81 per boe in Saskatchewan. These numbers do not reflect optimized production levels from our Rosevear and Southeast Saskatchewan operating areas. In addition, our Saskatchewan operating costs were increased by the facility repairs we undertook to allow for higher production volumes to be produced in 2003. As production increases in these areas in 2003, we expect to achieve greater efficiencies in per unit costs.

Total general and administrative expenses were $601,794 of which $239,954 was capitalized as part of Bulldog's exploration and development program. These expenses reflect the costs associated with the commencement of operations and assembling a team of professional employees. They appear relatively high but are normal for a start-up operation while it builds production volumes and cash flows.

Bulldog was obligated to fulfill the flow-through obligations pursuant to its public offering of shares in late 2001. Throughout 2002, the periodic outstanding commitment incurred interest payable to the federal taxation authorities; this totalled $62,418. Further net interest expense of $48,025 was incurred primarily from the debt taken on following the Flatland acquisition at the end of October. These amounts were partially offset by interest income earned of $20,614 on cash investments at the beginning of the year.

With the commencement of production, capitalized costs must be depleted and depreciated over the estimated life of the proven reserves. The depletion and depreciation expense for the year included a ceiling test write down of $2,000,000 recorded during the second quarter. The necessity of recognizing this write down was due to the combination of drilling two exploratory dry holes in Sarcee, Alberta and June's relatively low average natural gas price which was one of the key parameters in the second quarter ceiling test calculation. Bulldog's year-end depletion and depreciation rate was $9.47/boe.

Bulldog recorded a recovery in future income taxes arising from the year's loss. This recovery partially offset the future tax liability recorded when the resource expenditure deductions normally available for income tax purposes were renounced to shareholders to fulfill the flow-through obligations incurred in the December 2001 financing. At year-end, Bulldog's tax pools were:

Canadian Oil and Gas Property Expenses (COGPE)	$ 1,618,000
Canadian Development Expenses (CDE)	135,000
Canada Exploration Expenses (CEE)	1,159,000
Undeveloped Capital Cost (UCC)	1,922,000
	$ 4,834,000

Liquidity and Capital Resources

During the fourth quarter, Bulldog completed three very significant corporate transactions that had a material positive impact on future operations.

- On October 29th, Bulldog raised $2,065,000 through a public equity financing of 2,150,000 Class A common shares issued on a flow-through basis at $0.70 per share and 933,333 Class A common shares issued at $0.60 per share;
- On October 31st, Bulldog acquired all of the outstanding common shares of Flatland Exploration Ltd. ("Flatland") for net cash consideration of $3,152,747, the issue of 2,352,941 Class A common shares and the issue of 200,000 warrants exercisable at $1.10 until November 1, 2004; and
- On October 31, 2002 Bulldog renegotiated an existing Flatland credit facility to increase the long-term debt by $1,000,000 to a total of $2,500,000. As part of this renegotiation Bulldog issued 200,000 warrants exercisable at $1.10 until November 1, 2004.

These transactions together with fourth quarter operations resulted in Bulldog's long-term debt at December 31, 2002 standing at $2,500,000 with an additional working capital deficiency of $2,130,358 (net of current portion of long-term debt). This deficiency reflects the accrual for the substantial capital expenditure program undertaken during the last two months of the year with payments to be settled in 2003. Our operating bank lines of credit were totally undrawn as of year-end and are being expanded to $3,500,000 in April 2003, subject to final documentation. This is more than sufficient to meet our working capital needs.

On the operational front, Bulldog doubled in size during the fourth quarter as reflected in reserves and production volumes with undeveloped lands increasing from approximately 4,000 to 21,000 net acres. As of December 31st, Bulldog production volumes were 337 barrels of oil and liquids per day and 648 thousand cubic feet of natural gas per day for a total of 445 boe/day. These volumes have risen to over 600 boe/day at March 31, 2003 which, together with the very strong pricing environment has resulted in much higher cash flow levels.

The equity financing and the Flatland acquisition resulted in a significant change to Bulldog's capital structure. As of March 31, 2003, Bulldog's capital structure reflected the following:

Outstanding debt

Banking indebtedness (authorized $3,500,000)	$ –
Long-term debt (authorized $2,500,000)	2,500,000
Total indebtedness	$ 2,500,000

In addition to the undrawn bank lines of credit totaling $3,500,000 which are utilized to meet working capital needs, Bulldog has a $3,000,000 acquisition credit facility with the chartered bank which remains undrawn. Bulldog is in the process of preparing its 2003 first quarter report which will reflect a working capital deficit at March 31, 2003 of approximately $2.2 million.

Common shares outstanding

Class A common shares outstanding	11,991,874
Class B common shares outstanding	372,768
Total common shares outstanding (conversion rate of $1.00)*	15,719,554
Stock options to purchase Class A shares:	
Exercisable at $0.40 per share until January 28, 2007	505,000
Exercisable at $0.85 per share until August 14, 2007	75,000
Exercisable at $0.75 per share until November 1, 2007	110,000
Exercisable at $0.80 per share until December 20, 2007	415,000
	1,105,000
Warrants to purchase Class A shares:	
Exercisable at $0.75 per share until December 28, 2003	194,856
Exercisable at $1.10 per share until November 1, 2004	400,000
	594,856
Total common shares outstanding after conversion and exercise of all stock options and warrants.	17,419,410

* *The conversion of the Class B common shares into Class A common shares is based upon a formula of $10.00 divided by the higher of $1.00 and the Class A market price at the time of conversion which may occur anytime in 2005 or 2006 at Bulldog's option. The foregoing table reflects the minimum conversion price of $1.00. For illustrative purposes, conversion prices of $1.50 and $2.00 would result in fewer common shares outstanding of 1,242,560 and 1,863,840 respectively.*

Should all warrants and stock options be exercised, Bulldog would receive cash proceeds of $1,266,392.

This capital structure, combined with strong cash flows from operations, gives Bulldog substantial capital resources to conduct its' business plan and meet all obligations as they become due.

Bulldog has not entered into any commitments or long-term contracts for goods or services. However, pursuant to the October 29, 2002 public offering of flow-through shares, Bulldog is obligated to incur qualifying expenditures for income tax purposes of $1,505,000 by December 31, 2003; as of March 31, 2003 the remaining obligation was approximately $1,000,000. We have an inventory of drilling prospects to fulfill these obligations. Bulldog has also hedged 80 bbls/day of its 2003 oil production under a costless collar arrangement whereby price realizations float in a range of $24.00 US to $28.80 US.

Business risks

Bulldog faces a number of business risks with respect to its oil and natural gas exploration and development activities. These risks are not always within our control and can be categorized as operational, financial, and regulatory.

Operational risks include finding oil and natural gas reserves on an economic basis, production risk once reserves are found and placed on-stream, commodity marketing risk, and the need to hire and retain employees and contract services on a cost-effective basis. Bulldog's management team has extensive industry experience and addresses these risks on a hands-on basis to ensure maximum operational control.

Financial risks include access to debt and equity markets, commodity prices, the U.S. dollar exchange rate and interest rates. Management has extensive industry experience including a history of raising capital funds but cannot predict Bulldog's access to the capital markets and for the most part is fully exposed to the vagaries of the financial markets.

Regulatory risks include continual compliance with the extensive government regulations governing virtually every aspect of our industry's operations. Bulldog's management team is very familiar with these regulatory issues and has implemented processes to ensure that Bulldog complies with all regulations to ensure efficient, safe and environmentally sensitive operations are maintained.

Business prospects

The current business environment within the Canadian oil and natural gas industry is attractive. There are ample opportunities to invest in exploration and development opportunities that provide attractive rates of return. This is particularly true for smaller companies such as Bulldog as individual prospects can have a substantial and immediate impact on the company's fortunes. The attractive capital investment environment is supported by oil and natural gas commodity prices that remain robust. Netback realizations are in the upper end of the range over the last decade and provide excellent returns.

Bulldog's management team has extensive industry experience and covers all the professional requirements to manage an active oil and natural gas exploration and development program. We have direct knowledge of navigating through the various business cycles typical of the industry and how to capitalize on the opportunities that such cycles present.

Bulldog has achieved early success in building reserve and production volumes. The Flatland acquisition has doubled Bulldog's asset and production base and will have a substantial positive effect upon Bulldog's operations. More significantly, management has embarked upon an active capital expenditure program to capture the values inherent in Bulldog's consolidated asset base. We have an inventory of exploration and development drilling, re-entry and tie-in projects which we will continue to expand. This program is expected to have a very substantial positive impact on future results commencing in 2003. To March 31, 2003, we have already achieved a 35% increase in daily average production levels from 445 boe/day to 600 boe/day.

Quarterly Data

The following sets forth quarterly data for the year ended December 31, 2002.

	Q1	Q2	Q3	Q4	2002
Production (boe)	3,943	10,719	15,528	29,323	59,513
Total (boe/d)	44	118	169	319	163
Revenues ($)	116,874	328,473	358,568	1,117,074	1,920,989
Cash flow from operations ($)	(16,401)	29,213	14,799	468,455	496,066
Per share - basic ($)	–	–	–	0.03	0.04
Per share - diluted ($)	–	–	–	0.03	0.04
Net earnings (loss) ($)	(42,467)	(1,335,713)	8,760	125,501	(1,243,919)
Per share - basic ($)	–	(0.14)	–	0.01	(0.11)
Per share - diluted ($)	–	(0.14)	–	0.01	(0.09)

Forward Looking Statements

Certain information regarding Bulldog set forth in this document includes forward looking statements that involve substantial known and unknown risks and uncertainties. Most of these are beyond Bulldog's control and include: the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, the availability of qualified personnel, stock market volatility, and the ability to access sufficient capital from internal and external sources. The reader is cautioned that assumptions used in the preparation of such information, while considered reasonable by Bulldog at the time, may prove to be incorrect. Bulldog's actual results could differ materially from those expressed in, or implied by, these forward looking statements.

MANAGEMENT'S REPORT TO THE SHAREHOLDERS

The accompanying financial statements and all information in this annual report are the responsibility of management and the Board of Directors of the Company. The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and include certain estimates that reflect management's best judgments. The financial and operating information presented in the Annual Report is consistent with that shown in the financial statements.

Management maintains an appropriate system of internal controls, which ensure transactions are appropriately authorized and accurately recorded, assets are safeguarded and financial records are properly maintained.

External auditors, appointed by the shareholders, have conducted an examination of the corporate and accounting records and have provided an independent professional opinion. The Audit Committee, appointed by the Board of Directors and comprised entirely of directors which are not officers or employees of the Company, has reviewed the financial statements with management and the external auditors and has reported to the Board of Directors. The Board has approved the financial statements.

Ken McKay

KENNETH D. MCKAY, P. GEOL.
President, Chief Executive Officer and Chairman of the Board

A Brereton

AILSA BRERETON, C.A.
Controller & Chief Financial Officer

Calgary, Alberta
April 16, 2003

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the consolidated balance sheets of Bulldog Energy Inc. as at December 31, 2002 and 2001, the consolidated statement of income (loss) and deficit for the year ended December 31, 2002 and the consolidated statement of cash flows for the year ended December 31, 2002 and the period from incorporation on July 3, 2001 to December 31, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2002 and 2001, the results of its operations for the year ended December 31, 2002 and its cash flows for the year ended December 31, 2002 and the period from incorporation on July 3, 2001 to December 31, 2001 in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants
Calgary, Canada

April 16, 2003

Consolidated Balance Sheets

As at December 31

	2002	2001
	(audited)	*(audited)*
Assets		
Current assets:		
Cash	$ 277,237	$ 4,601,549
Accounts receivable	1,378,023	11,811
	1,655,260	4,613,360
Capital assets (Note 4)	10,947,896	375,888
Goodwill (Note 3)	1,266,158	–
	$ 13,869,314	$ 4,989,248
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 3,785,618	$ 526,352
Current portion of long-term debt (Note 5)	375,000	–
	4,160,618	526,352
Long-term debt (Note 5)	2,125,000	–
Future site restoration	199,721	–
Future income taxes (Note 6)	2,286,072	–
Shareholders' equity:		
Share capital (Note 7)	6,341,822	4,462,896
Deficit	(1,243,919)	–
	5,097,903	4,462,896
	$ 13,869,314	$ 4,989,248

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:

Claudio A. Ghersinich, P.Eng.

Director

John A. Thomson, C.A.

Director & Chairman of the Audit Committee

Consolidated Statements of Income (Loss) and Deficit

	Three months ended December 31 2002	Year ended December 31 2001
	(unaudited)	*(audited)*
Operating income and expense:		
Revenues	$ 1,117,074	$ 1,920,989
Royalties	(276,055)	(491,133)
Production expenses	(229,319)	(482,121)
	611,700	947,735
Expenses:		
General and administrative	105,741	361,840
Interest	37,504	89,829
Depletion and depreciation	277,607	2,612,039
	420,852	3,063,708
Income (loss) before income taxes	190,848	(2,115,973)
Future income tax expense (reduction) (Note 6)	65,347	(872,054)
Net income (loss)	125,501	(1,243,919)
Deficit, beginning of period	(1,369,420)	–
Deficit, end of period	$ (1,243,919)	$ (1,243,919)
Earnings (loss) per common share:		
Basic and diluted	$ 0.01	$ (0.11)

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

	Three months ended December 31 2002	Year ended December 31 2002	Period from incorporation on July 3, 2001 to December 31 2001
	(unaudited)	*(audited)*	*(audited)*
Cash provided by (used in):			
Operating activities:			
Net income (loss)	$ 125,501	$ (1,243,919)	$ –
Items not involving cash:			
Depletion and depreciation	277,607	2,612,039	–
Future income tax (recovery)	65,347	(872,054)	–
Funds from operations	468,455	496,066	–
Change in non-cash operating working capital	516,738	437,694	–
	985,193	933,760	–
Financing activities:			
Issue of share capital, net of issue costs	1,845,866	1,925,433	4,392,896
Increase in long-term debt	1,000,000	1,000,000	–
Change in non-cash financing working capital	–	(214,110)	214,110
	2,845,866	2,711,323	4,607,006
Investing activities:			
Capital assets	(1,928,715)	(6,596,265)	(305,888)
Flatland acquisition, net of cash acquired (Note 3)	(3,208,785)	(3,208,785)	–
Change in non-cash investing working capital	1,345,668	1,835,655	300,431
	(3,791,832)	(7,969,395)	(5,457)
Increase (decrease) in cash	39,227	(4,324,312)	4,601,549
Cash, beginning of period	238,010	4,601,549	–
Cash, end of period	$ 277,237	$ 277,237	$ 4,601,549
Supplemental disclosure of cash flow information:			
Cash interest paid (received)	$ 46,126	$ 27,411	$ –

See accompanying notes to consolidated financial statements.

1. Basis of presentation:

Bulldog Energy Inc. ("Bulldog") was incorporated under the laws of the Province of Alberta on July 3, 2001. Bulldog is engaged in the business of exploration, development and production of petroleum and natural gas. Bulldog commenced business in October 2001 and all activities were of a financing or investing nature until December 31, 2001. As a result, there is no statement of income for the period ended December 31, 2001.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles which require management to make a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingencies. In particular, the amounts recorded for depletion and depreciation of capital assets, the provision for future site restoration and abandonment costs and the ceiling test are based on estimates of proved reserves, production rates, oil and natural gas prices, future costs and other relevant assumptions. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

2. Significant accounting policies:

(a) Capital assets:

Bulldog follows the full cost method of accounting for petroleum and natural gas operations whereby all costs of exploring and developing oil and natural gas properties and related reserves are capitalized. Such capitalized costs include land acquisitions, geological and geophysical expenditures, lease rentals on non-producing properties, expenditures of drilling both productive and non-productive wells, production equipment, and the portion of general and administrative expenses directly attributable to exploration and development activities.

Proceeds from the sale of properties are normally deducted from capitalized costs without recognition of a gain or loss. Gains and loses on the sale of properties are recognized only when such dispositions would alter the depletion and depreciation expense rate by a factor of 20% or more.

The costs of acquiring unproved properties are initially excluded from capitalized costs in the calculation of depletion and depreciation expense. These properties are assessed periodically to ascertain whether a valuation impairment has occurred. When proven reserves are assigned to such properties or a valuation impairment has occurred, the costs of the properties are included in capitalized costs for purposes of the depletion and depreciation expense calculation.

Capitalized costs, plus estimated future development expenditures less estimated future salvage values, are recognized as depletion and depreciation expense using the unit-of-production method based upon estimated proven reserves (before deduction of royalties) as determined by independent reserve consultants. For purposes of this calculation, natural gas reserve and production volumes are converted to equivalent volumes of oil based upon the energy equivalent ratio of six thousand cubic feet of natural gas to one barrel of oil.

Bulldog applies a "ceiling test" to the carrying value of oil and natural gas properties to ensure that such capitalized costs do not exceed the estimated value of future net revenues from estimated production of proven reserves using prices and costs in effect at the balance sheet date. Future net revenues are calculated after deducting general and administrative expenses, financing expenses, income taxes and future site restoration and abandonment expenditures.

Certain of Bulldog's exploration, development, and production activities are conducted jointly with others. These financial statements reflect only Bulldog's proportionate share in such activities.

(b) Goodwill:

Bulldog follows the Canadian accounting standard relating to business combinations and goodwill. This standard requires that goodwill be tested for impairment at least on an annual basis. A goodwill impairment loss will be recognized if the carrying value of goodwill exceeds its fair value.

(c) Future site restoration and abandonment expenditures:

Estimates of future site restoration and abandonment expenditures are provided for over the life of the proven reserves using the unit-of-production method. The provision is recorded as additional depletion and depreciation expense. The accumulated provisions, less actual expenditures incurred, are reflected on the balance sheet as a liability.

(d) Flow-through shares:

Bulldog has financed a portion of its exploration and development activities through the issuance of flow-through shares. The resource expenditure deductions normally available for income tax purposes from such activities are renounced to the investors in accordance with income tax legislation. Bulldog's recorded amounts for future income taxes and share capital are adjusted by the estimated income tax effect of the renounced deductions when the corresponding exploration and development expenditures are incurred.

(e) Stock option grants:

The exercise price of stock options granted to employees, directors and consultants is determined by the market price of shares at the date of grant. As a result, no compensation expense is recognized when stock options are granted. The proceeds received upon the exercise of stock options are credited to share capital.

(f) Hedging:

Gains or losses on hedging contracts are recognized in income in the same period and category as the hedged item.

(g) Future income taxes:

Bulldog follows the liability method to account for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current year at the substantively enacted rates. Future income tax assets and liabilities are recognized for temporary differences between the income tax and accounting cost bases of assets and liabilities as well as for the benefit of losses available to be carried forward to future years for income tax purposes that are likely to be realized.

(h) *Per share amounts:*

Basic per share amounts are calculated using the weighted average number of Class A and Class B common shares outstanding during the year. Class B common shares are converted to Class A common shares at $10.00 divided by the higher of $1.00 and the Class A average market price for the period.

Diluted per share amounts are calculated based on the treasury stock method. The weighted average number of common shares is adjusted for the dilutive effect of stock options and warrants. The dilutive effect of stock options and warrants uses the proceeds received on exercise to purchase Class A common shares at the average market price during the period. The weighted average number of common shares outstanding is then adjusted by the net change.

3. BUSINESS COMBINATION:

On October 31, 2002, Bulldog acquired all of the issued and outstanding common shares of Flatland Exploration Ltd. ("Flatland"), a private oil company. The acquisition was accounted for using the purchase method with the results of operations being included from the date of acquisition. As consideration therefore, Bulldog provided the following:

Cash	$ 3,327,707
2,352,941 Class A common shares	1,411,765
Transaction costs	56,038
Total consideration	$ 4,795,510

The Class A common shares issued were valued at $0.60 per share based upon the underwriting agreement completed October 28, 2002 (Note 7(b)(3)). In addition, Bulldog issued 200,000 warrants to the former shareholders of Flatland. Each warrant entitles the holder to purchase one Class A common shares at $1.10 per share at any time until November 1, 2004. The value that has been assigned to the warrants is nominal. The following table summarizes the estimated fair value of the assets acquired and the liabilities assumed at the date of acquisition:

Cash	$ 174,960
Working capital, excluding cash	166,185
Petroleum and natural gas properties	6,557,061
Future site restoration	(169,000)
Goodwill	1,266,158
Long-term debt	(1,500,000)
Future income taxes	(1,699,854)
Net assets acquired	$ 4,795,510

4. CAPITAL ASSETS:

Acquisition of petroleum and natural gas properties (Note 7(b)(1))	$ 70,000
Exploration and development expenditures	305,888
Additions in 2001	375,888
Purchase of petroleum and natural gas properties	1,871,384
Business combination (Note 3)	6,557,061
Exploration and development expenditures	4,666,791
Office furniture and equipment	58,090
Additions in 2002	13,153,326
Total capitalized costs, before depletion and depreciation	13,529,214
Depletion and depreciation	(2,581,318)
Balance December 31, 2002	$ 10,947,896

Capitalized general and administrative expenses were $239,954 during the period.

Land and seismic costs associated with unproven properties that were excluded from costs subject to depletion for 2002 totaled $1,969,000.

In accordance with Canadian generally accepted accounting principles, Bulldog applies a "ceiling test" at the end of each fiscal quarter comparing the total of capitalized costs to estimated future net revenues after deducting general and administrative expenses, financing expenses, income taxes and future site restoration and abandonment expenditures. Using June 2002 average gas prices of $3.37/mcf and June average oil prices of $36.26/barrel this calculation resulted in a shortfall at June 30, 2002 and an additional provision of $2,000,000 was recorded as depletion and depreciation expense in June 2002. At December 31, 2002 no additional write-down was required.

5. BANK INDEBTEDNESS AND LONG-TERM DEBT:

Long-term debt	$ 2,500,000
Current portion of long-term debt	(375,000)
Balance December 31, 2002	$ 2,125,000

Bulldog has bank credit facilities consisting of: (a) $1,725,000 in operating lines of credit, and (b) a $3,000,000 acquisition line of credit. Amounts drawn under both facilities are due on demand. On March 10, 2003, Bulldog and the bank entered into a letter of intent to increase the operating line of credit to $3,500,000, subject to completion of final documentation. The interest rate is prime plus 3/4% and prime plus 1% respectively for the operating and acquisition lines of credit. Security for the lines of credit is provided by an assignment of accounts receivable and a $5,000,000 floating charge debenture. As of December 31, 2002, both lines of credit were undrawn.

In conjunction with the Flatland business combination (Note 3), Bulldog renegotiated Flatland's existing long-term debt agreement with an investment fund. The credit facility was increased to $2,500,000 of which the term on $1,500,000 is due on November 1, 2005 and the term on $1,000,000 is due on November 1, 2004; the latter amount is subject to a one

year extension at the option of the lender. Monthly principal installments of $41,667 commence April 1, 2003. Based on amounts outstanding at year-end, payments of $375,000 will be due in 2003, $500,000 in 2004 with the balance of $1,625,000 due in 2005, assuming the extension of the $1,000,000 portion of the loan to November 1, 2005. If the one year extension is not granted on November 1, 2004, amounts totaling $1,150,000 will be due in 2004, with the balance of $975,000 owing in 2005. Amounts drawn pursuant to this facility bear interest at 11% per annum. This debt is secured by debentures from Bulldog totaling $6,000,000 subordinated to a maximum allowable operating line of credit of $3,500,000 with a chartered bank.

6. FUTURE INCOME TAXES:

The provision for income taxes differs from the result which would have been obtained by applying the combined Federal and Provincial statutory tax rate of 42.1% to the loss before income taxes. The difference results from the following items:

Loss before income taxes	$ (2,115,973)
Expected income tax at 42.1%	$ (890,824)
Crown payments	121,457
Resource allowance	(102,687)
Future income tax reduction	$ (872,054)

The components of the future income tax liability at December 31, 2002 were as follows:

Future tax liabilities:	
Capital assets	$ (2,523,671)
Future tax assets:	
Share issue costs	237,599
	$ (2,286,072)

7. SHARE CAPITAL:

(a) *Authorized:*

Unlimited number of Class A and B voting common shares

Unlimited number of preferred shares

The Class B shares are convertible into Class A shares at Bulldog's option at any time from January 1, 2005 to December 31, 2006. The number of Class A shares to be issued upon conversion of each Class B share will be equal to $10 divided by the greater of $1 and the then current market price of Class A shares. If conversion has not occurred by December 31, 2006, the Class B shares become convertible into Class A shares at the option of the shareholder until February 1, 2007, at which time all remaining Class B shares outstanding will be automatically converted into Class A shares.

(b) Issued and outstanding:

	Number of shares	Consideration
Class A common shares:		
For cash as initial private capital	3,475,000	$ 695,000
Upon conversion of Exchange Warrants (1)	350,000	70,000
For cash pursuant to public offering	2,541,600	508,320
Share issue costs	–	(538,104)
Recognition of income tax effect of share issue costs	–	131,298
Income tax effect of flow-through shares (2)	–	(15,756)
Balance December 31, 2001	6,366,600	850,758
For cash pursuant to private placement	189,000	94,500
For cash pursuant to public offering (3)	3,083,333	2,065,000
Pursuant to business combination (Note 3)	2,352,941	1,411,765
Share issue costs	–	(234,067)
Recognition of income tax effect of share issue costs	–	193,786
Income tax effect of flow-through shares (2)	–	(198,247)
Balance December 31, 2002	11,991,874	4,183,495
Class B common shares:		
For cash pursuant to public offering	372,768	3,727,680
Income tax effect of flow-through shares (2)	–	(115,542)
Balance December 31, 2001	372,768	3,612,138
Income tax effect of flow-through shares (2)	–	(1,453,811)
Balance December 31, 2002	372,768	2,158,327
Total share capital		$ 6,341,822

(1) *On October 12, 2001, 350,000 Exchange Warrants were issued as consideration for a joint venture and participation agreement at an ascribed consideration of $70,000. The Exchange Warrants were converted into Class A shares effective December 28, 2001.*

(2) *On December 28, 2001, $4,236,000 was raised from a public offering of Class A and B shares. The shares were issued on a flow-through basis for income tax purposes and obligated Bulldog to incur qualifying expenditures in an equivalent amount by December 31, 2002. This obligation was fulfilled.*

(3) *On October 29, 2002, Bulldog completed an underwriting agreement with Yorkton Securities Inc. resulting in gross proceeds of $2,065,000. Bulldog issued 933,333 Class A common shares at a price of $0.60 per share and a further 2,150,000 Class A common shares on a flow through basis for income tax purposes at a price of $0.70 per share. Bulldog is obligated to incur qualifying expenditures of $1,505,000 by December 31, 2003.*

(c) ***Reserved for issue:***

Stock options to purchase Class A shares	
Exercisable at $0.40 per share until January 28, 2007	505,000
Exercisable at $0.85 per share until August 14, 2007	75,000
Exercisable at $0.75 per share until November 1, 2007	110,000
Exercisable at $0.80 per share until December 20, 2007	415,000
	1,105,000
Warrants to purchase Class A shares	
Exercisable at $0.75 per share until December 28, 2003	194,856
Exercisable at $1.10 per share until November 1, 2004	400,000
	594,856
Total Class A shares reserved for issue	1,699,856

Bulldog has a stock option plan to provide options for directors, employees and consultants to purchase Common Shares. Under the plan, Bulldog may grant options for up to 1,199,187 shares of Class A shares. All of the stock options outstanding at December 31, 2002 were granted during the year and have a weighted average exercise price of $0.62 per common share. No stock options were exercised, cancelled or expired during the year. As at December 31, 2002, 168,333 stock options are exercisable at an exercise price of $0.40 per share. The stock options exercisable at $0.40 per share, vest as to one-third on granting and one-third on each of the first two anniversary dates. The remaining stock options vest as to one-third on each of the first, second, and third anniversary dates from the date of issue. All unexercised stock options will expire on the fifth anniversary from the date of issue.

As part of the renegotiation of the Flatland long-term debt (Note 5), Bulldog issued 200,000 warrants entitling the holder to purchase one Class A common share for each warrant held at $1.10 per share at any time until November 1, 2004. The value that has been assigned to the warrants is nominal. Should the lender elect to extend the term of the $1,000,000 portion of the debt due on November 1, 2004, Bulldog has agreed to issue an additional 200,000 warrants entitling the lender to purchase one Class A common share at $1.50 per share between November 1, 2004 and November 1, 2005.

(d) ***Per share calculations:***

For the period ended December 31, 2002, the basic weighted average number of common shares outstanding was 11,034,179. All options and warrants were excluded from the dilution calculation as they were anti-dilutive due to the loss incurred during the year.

8. Stock based compensation:

Bulldog's accounting policy does not recognize any compensation expense when stock options are granted as the exercise price equals the market price of Class A common shares on the date of grant. The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2002: zero dividend yield; expected volatility of 75%; risk-free interest rate of 4.5%; and expected life of 5 years. As a result, the weighted average fair value of stock options granted during the year was $0.40 per option.

Had Bulldog accounted for employee stock options granted since January 1, 2002 using the fair value method, Bulldog's pro forma net loss and loss per share would have increased by $125,000 ($0.01 per share). These pro forma earnings reflect this compensation cost amortized over the vesting period of the stock options.

9. Related party transactions:

During the year Bulldog incurred legal fees of $63,669 (2001 - nil) to a law firm in which one of Bulldog's directors is a partner. At December 31, 2002, accounts payable and accrued liabilities included $34,721 (2001 - nil) due to this related party.

10. Financial instruments:

(a) *Commodity price risk management:*

At December 31, 2002, Bulldog had a costless collar oil hedge in place for the period from February 1, 2003 to December 31, 2003, for 80 barrels of oil per day with a price range of U.S. $24.00 to U.S. $28.80.

(b) *Credit risk management:*

A substantial portion of Bulldog's accounts receivable are with customers and joint venture partners in the oil and gas industry and are subject to normal industry credit risks.

(c) *Fair value:*

The carrying value of cash, cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to their short term to maturity. The fair value of fixed rate long-term debt is determined by discounting the contractual cash flows under the debt facility at discount rates, which represent interest rates presently available to Bulldog for a debt facility with a similar term and maturity. Based on this, the fair value of long-term debt as at December 31, 2002 was not significantly different from its carrying value.

Corporate Directory

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Board of Directors

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Calgary, Alberta

E. Craig Lothian, LLb. (1) (2)
Regina, Saskatchewan

S. Bruce McKay, C.E.T.
Calgary, Alberta

Kenneth D. McKay, P. Geol.
Calgary, Alberta

James M. Pasieka, LLb. (2) (3)
Calgary, Alberta

John A. Thomson, C.A. (1) (3)
Calgary, Alberta

(1) *Members of the Audit Committee*
(2) *Members of the Reserve Committee*
(3) *Members of the Compensation Committee*

Officers

Kenneth D. McKay, P. Geol.
President & Chief Executive Officer

S. Bruce McKay, C.E.T.
Vice President Production

Michael H. Flanagan, P. Land
Vice President Land

Ailsa Brereton, C.A.
Controller & Chief Financial Officer

Transfer Agent

CIBC Mellon Trust Company
Calgary, Alberta

Solicitors

Heenan Blaikie
Barristers & Solicitors
Calgary, Alberta

McCarthy Tétrault
Barristers & Solicitors
Calgary, Alberta

Auditors

KPMG LLP
Chartered Accountants
Calgary, Alberta

Evaluation Engineers

Gilbert Laustsen Jung Associated Ltd.
Petroleum Consultants
Calgary, Alberta

Bankers

National Bank
Calgary, Alberta

Stock Exchange

The TSX Venture Exchange
Symbols: **BDE.A & BDE.B**

Bulldog energy inc.

BDE

2002 ANNUAL REPORT

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